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RHMCSUU/FBI WASHINGTON DC 0000  
RUEAIIA/CIA WASHINGTON DC 0000  
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RUEKJCS/SECDEF WASHINGTON DC  
RUEPINS/HQ BICE INTEL WASHINGTON DC

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SIPDIS  
OTTAWA FOR LORI BALBI

E.O. 12958: N/A  
TAGS: [ETTC](#) [KOMC](#) [CA](#)  
SUBJECT: BLUE LANTERN LEVEL 3: POST-SHIPMENT END-USE CHECK  
ON THE EXPORT OF U.S. DEFENSE ARTICLES CITING THE CANADIAN  
EXEMPTION

REF: 2006 BLUE LANTERN GUIDEBOOK

¶1. This is an Action Request. See paragraphs 2-4.

¶2. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Embassy's assistance in conducting a post-shipment check on transactions citing the Canadian exemption for the export of aircraft component parts to Canada. Embassy is requested to complete this Blue Lantern check within 45 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

¶3. Reason for request: U.S. exporter Tailored Logistics Corporation appears on the DTCC Watchlist; also vague/incomplete description of commodity and end-use in export filing. End-user Orenda Aerospace has not previously been the subject of a Blue Lantern.

¶4. ACTION OTTAWA: Mission Canada is requested to make inquiries with appropriate officials to establish the bona fides of end-user Orenda Aerospace and to obtain all relevant details of the export of aircraft component parts to Canada citing the Canadian exemption, including the exact description, number, type, dollar value, and serial number of items. PM/DTCC also requests that post conducts a site visit to the company in order to provide Department with an assessment of its business operations and on-site security. Finally, post is asked to assess whether the company appears to be a reliable recipient of USML items. If a site visit is not possible, please inform the PM/DTCC officer.

The following questions are provided as suggested guidance:

--What were the exact United States Munitions List (USML) articles exported to you? (Automated Export System (AES) filing data provides the following information, "other parts of airplanes or helicopters for u".)

--What is the exact end-use for these USML items? Will Orenda Aerospace retain positive control over the aircraft component parts at all times? Will they be transferred to other end-users in Canada or re-exported?

--Does the company have secure facilities and proper accounting and security procedures for handling sensitive USML items?

--When was the company established and who are its principals?

--What is the nature of the company's business? Have they

previously sought defense articles on the USML?

--What type of organizations are among its typical customers and where are the customers located?

--Does the company understand the restrictions on USML items, especially the prohibition against unauthorized re-transfer and re-export?

END ACTION.

15. Details of the AES filings:

--EXPORT 1 - QUANTITY/COMMODITY:

Quantity not provided

Commodity - Significant Military Equipment (SME) with vague description cited as, "other parts of airplanes or helicopters for u"

Stated Value: USD 14,249.00

Export Date - 9 August 2007

ITAR Exemption Number - 126.5B

Filer Identification Number - 410980822

Shipping Reference Number - 6937294000364

Export Identification Code - 35196409000

--EXPORT 2 - QUANTITY/COMMODITY:

Quantity not provided

Commodity - SME with vague description cited as, "other parts of airplanes or helicopters for u"

Stated Value: USD 36,444.00

Export Date - 15 November 2007

ITAR Exemption Number - 126.5B

Filer Identification Number - 410980822

Shipping Reference Number - 6937292450271

Export Identification Code - 35196409000

--EXPORT 3 - QUANTITY/COMMODITY:

Quantity not provided

Commodity - SME with vague description cited as, "other parts of airplanes or helicopters for u"

Stated Value: USD 54,936.00

Export Date - 5 December 2007

ITAR Exemption Number - 126.5B

Filer Identification Number - 410980822

Shipping Reference Number - 6937291900504

Export Identification Code - 35196409000

U.S. EXPORTER:

Tailored Logistics Corporation  
702 Incentive Drive  
Fort Wayne, IN 46825  
POC is Maringer, Tel. 260-490-6533

ULTIMATE CONSIGNEE

Orenda Aerospace  
31360 Derry Rd. East  
Mississauga, Canada L4T1A9  
No POC provided

¶6. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. PM/DTCC can fax documentation to post upon request. POC is Tim Mazzarelli, Phone: 202-663-3867; Email: [MazzarelliTP@state.gov](mailto:MazzarelliTP@state.gov); SIPRNET: [MazzarelliTP@state.sgov.gov](mailto:MazzarelliTP@state.sgov.gov).

The Blue Lantern Guidebook (ref) is available as a PDF file in the Bunche Library's E-Book Collection on the DOS Intranet: [http://buncheelectroniclibrary.state.gov/ebooks/BlueLanternGuidebook2006%20 final .pdf](http://buncheelectroniclibrary.state.gov/ebooks/BlueLanternGuidebook2006%20final.pdf)

¶7. Department is grateful for post's assistance in this matter.  
CLINTON